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FM AMEMBASSY BUENOS AIRES
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INFO RHMFISS/CDR USSOCOM MACDILL AFB FL//SCJ2//
RULGPIA/USCOMSOLANT

UNCLAS BUENOS AIRES 001875

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STATE FOR INR/R/MR, I/GWHA, WHA, WHA/PDA, WHA/BSC,
WHA/EPSC
CDR USSOCOM FOR J-2 IAD/LAMA

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E.O. 12958: N/A

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SUBJECT: MEDIA REACTION; ARGENTINA IN HAITI; IRAQ; US INTEREST RATE;
09/19/07

1. SUMMARY STATEMENT

Key international stories today include Argentina's participation in the international peace keeping mission in Haiti; the US policy on Iran; and the US Federal Reserve's decision to lower US interest rates.

2. OPINION PIECES AND EDITORIALS

- "Why should we stay in Haiti?"

Daily-of-record "La Nacisn" carries an opinion piece by Juan Gabriel Tokatlían, Professor of International Relations at Universidad San Andrés, writes (09/19) "Pursuant to Resolution 1743 (February, 15, 2007), the UN Security Council extended the UN Stabilization Mission in Haiti (MINUTASH) until October 15, 2007. However, this mission is very likely to continue because a 561-million-dollar budget was approved for July 2007- June 2008. Now... we should reassess Argentina's intervention on the island.

"First and foremost, the mission remains an essentially military operation...

"In addition, the idea that the military is building democracy in Haiti is at minimum untrue. Neither is it apparent how much progress has been made on civilian control of the military through this kind of mission or how the formation of a more democratic, modern and efficient Haitian police force will contribute to this confusion of roles.

"Secondly, the frequently used idea that this has been a Mercosur-led operation has faded... Venezuela sells oil to Haiti at preferential prices and favorable terms of payment..., while last March, Cuba, Venezuela and Haiti created a one-billion-dollar fund for equipment, building of houses and social and sanitary projects. It would be absurd now to say that the main reason to stay on the island is the containment of the 'Havana-Caracas' axis on the Caribbean.

"Third, given that most of Haiti's serious problems (human rights, institutional crisis, poverty, drug trafficking) remain unsolved in spite of an intervention of over three years..., the extension of the current operation is aimed at perpetuating itself and becoming a neo-protectorate model sooner rather than later. This is the strategic core of the issue that has not been made explicit in the recurring requests for extension of troop deployment...

"In parallel, as long as the mission is extended, its originally benign purpose becomes more opaque and the intervention becomes an instrumental- meaning that it is serving humanitarian purposes much less than it is achieving an international presence for the purpose

of joining the UN Security Council (the Brazilian case) or not overly irritating the US (the Argentine case)...

"In brief, the time has come to define why we should stay in Haiti and justify why staying indefinitely is better than withdrawing in a timely manner. (Argentina's entry) into a presidential campaign is a decisive time that could give us the opportunity to discuss the issue and reach a consensus between the government and the opposition - either staying in Haiti with a concrete strategy, measurable goals and specific deadlines, or being part of a regional coalition that promotes an appropriate way out of the island."

- "Adventures"

Marcelo Cantelmi, international editor of leading "Clarín," opines (09/19) "Last month, the governments of Afghanistan and Iraq, allegedly Washington's puppets, surprisingly rebelled by telling George W. Bush that there is no such thing as an Iranian enemy but an ally against adversaries in common."

"... The episode served to explain the growing contradictions about the Persian theocracy and the idea of multiplier effects of a war against the (Iranian) regime. Just as in Iraq, it is not the nuclear danger that is behind the recent wave of rumors and war-like attitudes. The issue is the political importance of the Persian structure in the region and that some fanatics understand that it can and should be neutralized with consistent bombing. However, we should see the dilemma with some perspective. Let's see: Iran is a commercial, military and political ally of Turkey, which is a privileged partner of Israel. Meanwhile, the governments of Iran and Afghanistan have a common enemy - the Taliban, which Shiites despise. The Taliban have spread in Pakistan, a country with which the Iranian theocracy has good ties, and both of them have good ties to China. However, Islamabad is also Washington's best partner, which it needs to help put the Taliban at bay. The situation is

similar with Iraq... In this complicated scenario, simplicity cannot determine how to plan missions."

- "The US cuts (interest) rates by half a point and alleviates markets"

Javier Blanco, economic columnist of daily-of-record "La Nación," writes (09/19) "Last night, the US Federal Reserve announced a half a percentage point cut in interest rates (4.75 percent per year) in an attempt to prevent the real estate crisis from taking the economy into a recession."

"... The decision made by the (US) Federal Reserve surprised the markets positively and encouraged investors to repurchase risky assets, after two months of having massively chosen to get rid of them and seek refuge in 'cover' options, such as US Treasury bonds and gold."

"While almost no one expects this initiative to put an end to the period of financial turbulence started last July, expectations are that it could ease conditions for markets and the economy in general."

"This was apparent in the positive reaction of stock exchange indexes around the world... as well as in the reduction of emerging country risk..."

"Nonetheless, in Argentina's case, analysts warn that the recovery of the market could be circumstantial given that factors feeding investors' mistrust ... continue, such as claims of tampering with the prices... or doubts sparked by a deterioration of the government's fiscal accounts..."

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